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Lloyds Bank Limited

MONTHLY REVIEW



SEPTEMBER 1939

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***The Bank publishes from time to time in this
MONTHLY REVIEW signed articles by exponents of
different theories on questions of public interest.
The Bank is not necessarily in agreement with
the views expressed in these articles.*

The Export Problem: A Reply to Mr. Glenday

By Lionel Robbins

I

IN the July number of this journal there appeared an article by me in which I reviewed various proposals for meeting the problem of diminution in the volume of our international business, with special regard to the export problem. In the August number there appears an article by Mr. Glenday, in the course of which he does me the honour of critical comment on certain of the things which I said and on certain omissions of which he thinks I am guilty. There is very little to which I wish to reply in Mr. Glenday's explicit criticisms; for most of these appear to be based upon beliefs regarding the nature of economics and the way it is taught in modern universities, which seem to me so wide of the mark that short discussion would appear to be fruitless. But there are certain features of the criticism implicit in his alternative view of the general problem, upon which I think further comment by me might serve some useful purpose in elucidating differences of outlook which have perhaps a wider significance than controversies about scientific method.

II

If we disregard Mr. Glenday's curious belief that the Laws of Supply and Demand have the same logical status as

the Beatitudes, the main ground of his difference from me appears to be the conviction that I have overlooked the fundamental causes of the various limitations to international business for which I was trying to find a remedy. "It is possible, morally," he says, "to be in almost complete agreement with Professor Robbins . . . and still to feel that he has failed to tackle the main problem." If I had perceived these causes, he seems to argue, I should have realised that the various ameliorative devices which I suggested were entirely beside the point. Confronted with the grand spectacle of the decline of the liberal world society, to which he directs my attention, I should have either resigned myself to pure description or even proceeded to hint that the various anti-liberal policies which I condemned were the manifestation of inexorable laws which the wise man will greet without fruitless criticism—and even perhaps with something of a masochistic thrill.

Broadly speaking, if I have followed his rather involved argument aright, Mr. Glenday's main case is as follows. It is a law of nature, he thinks, that organisms or societies which grow too large must decay. Now, he goes on to argue, it seems that the world society of the last two hundred years has grown too large. The tendency to a decline of population in western countries is evidence of this. And, once the progress of growth is arrested in this way, further disintegration sets in. The productive machinery has been adapted to supply the needs of a growing population; the slowing-up of growth necessarily involves a severe readjustment of the mechanism of supply. On top of this, inventions tending to increase the productivity of agriculture have tended further to turn the ratio of the prices of agriculture and manufactured products against the agricultural areas. Under the pressure of these changes, the unity of the world system tends to break up. The inhabitants of different national areas turn to policies of greater self-sufficiency—adopting meanwhile systems of organisation of a more authoritarian character. "Our present economic system," he says, "like the houses and public building of primitive peoples—before the laws of architecture were discovered—has been built by a process of trial and error. Like the builders in primitive times also, [sic] it was assumed that a given economic structure or pattern could be expanded without limit to size."

"Too late, after the building has fallen about our ears, we, like they, [sic] have learned our mistake."

This, so far as I am able to follow him, is Mr. Glenday's main theme. It says very little specific about exports. Indeed, somewhat to my surprise on the first reading, I found that the word "export" only occurred three or four times. But it is easy to see that, if the rather ambitious historical philosophy upon which it is based is true, the export problem in the narrow sense in which I dealt with it in my article, must appear rather unimportant. What then is there to say of its correspondence with the facts and the inferences built upon it?

III

Mr. Glenday's first proposition is that societies may grow too large. Taken in isolation, this does not seem particularly disputable. One can think of senses of "too large" which would make it plausible; but in the absence of further elaboration of what is meant by this phrase, I do not think that it is very helpful. Almost anything one can think of can be too large or too small in some sense or other.

Mr. Glenday then goes on to argue that world society at the present day is too large. Here, again, I can think of all sorts of possible justifications for such a view; it is not difficult in the present state of the world to find reasons for pessimism. But before the statement that the world is disordered because the population is too large is to be anything but a way of expressing a rather tired state of mind, it is surely necessary to say exactly in what sense "too large" is meant, and to produce convincing evidence that this corresponds with the facts.

Now, Mr. Glenday lays great stress upon the decline of the birth-rate in certain western countries. "What grounds are there for believing that the present world economic structure has reached a critical phase in its cycle of growth?" he asks. "Perhaps the most impressive symptom is the recent change in trend of world population growth," he replies. Population is ceasing to expand because it is becoming too large.

I must confess that I find this very difficult to believe. The change in the tendency of population increase is certainly a fact of epoch-making importance. (Mr. Glenday can hardly expect a student of the late Edwin Cannan, who predicted the whole movement, to be ignorant of this.) But is there any

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evidence at all, that can be called in the least scientific, that this change is due to the fact that numbers have in some sense become too large? I doubt it. The obvious cause of the change in the birth-rate is the spread of the knowledge and availability of effective techniques of contraception. In spite of Mr. Glenday's assertion to the contrary, it is very doubtful whether there is reliable evidence of important changes in fertility not due to deliberate planning. In the absence of clear explanation and convincing evidence, there is no reason whatever to assume any connection between this and the relation of actual numbers to some hypothetical optimum. The existence of any causal connection between the spread of the habit of family limitation and the size of the world population is something which has to be demonstrated. Mere assertion based on biological analogy does not prove anything at all.

In one part of his paper, Mr. Glenday seems to suggest that this alleged connection is to be explained in terms of reactions to the variations of real income and opportunities for employment which may be conceived to accompany variations in the size of the population. "Judging both by our own experience and that of past economic systems," he says, "there arrives a moment in the life history of every economic system when population growth begins to outstrip capacity to provide jobs with as good prospects as in the past. At this point the economic system will begin to exceed its most convenient size." And he seems to suggest that it is because this point has been passed that the present tendency to a slowing-up of population growth has begun.

This seems to me, if I may say so without offence, to be out of all relation both with logic and with the facts. It may be admitted that it is conceivable that the population of the world or of a certain area may surpass an optimal size defined with reference to real income. It is even conceivable that population may increase to such a point that diminishing returns, in the Malthusian sense, set in (which, of course, is not at all the same thing as merely being on the wrong side of the optimum). But before it can be asserted that any society has reached this stage it must be proved that diminishing returns are actually visible. Mr. Glenday does not do this; and I suggest that on the evidence available he cannot do it. For there is no evidence that the real return to effort shows

any tendency to diminish. There is no evidence that this is so in the world as a whole. There is no evidence that this is so in the western communities in which the birth-rate is falling. Save in those parts of the world where political revolutions or other such complications have hopelessly impeded the working of the economic machine, the general tendency of productivity has been markedly upwards; and it is not in Mr. Glenday's power, or indeed in the power of anyone else, to prove that the increase would have been greater if numbers had been smaller. This is one of the matters not capable of statistical demonstration.

But, apart from this, Mr. Glenday has totally failed to show that there is any correlation between the tendency to reduction of the birth-rate and the conjectural degree of under- or over-population of any area. And, in fact, it seems very doubtful whether any such correlation can be asserted. The tendency for the number of births to fall has been as strong in countries where obviously there is no congestion as it has been in countries of the European mainland, where there may be said to be some presumption of maladjustment. Quite frankly I find it hard to believe that Mr. Glenday's far-reaching claims concerning the relation between population and the optimal size of society have any scientific basis whatever. They seem rather to be just mystical assertions of a sort of pre-established harmony, which biological analogy—that most treacherous pitfall of sociological speculation—has led him to think ought to exist. There does not seem to be any evidence of diminishing returns in the general Malthusian sense. Nor does there seem to be any evidence of a simple relation between returns per head and the known facts of the birth-rate. I find it a little odd that Mr. Glenday, who goes out of his way to condemn economists for the unscientific methods which he thinks they adopt, should be content with unproved assertions of this nature.

IV

Mr. Glenday's thesis does not end with assertions concerning the causes of population changes. It will be remembered that, having made growing congestion a cause of incipient population decline, he goes on to attribute to this factor and to certain technical factors (not, however, alleged to be due

to the excessive growth of population) the maladjustments and difficulties of the world economic system to-day. Even if his earlier arguments concerning optimal population and its relation to population growth are unacceptable—as I think they are—this part of his thesis must be examined and appraised by itself.

As a matter of fact there are certain features of this argument with which I am in some agreement, even though my judgment on its general bearing is skies apart from Mr. Glenday's. I think that Mr. Glenday greatly overstresses the rôle which the slowing-up of population growth has played in the recent past. World population as a whole, as he himself admits in another part of his paper, is still growing fairly rapidly; it is only in certain western countries where a tendency to decline is imminent. But I quite agree that the mere slowing-up of the rate of increase may have played some part in certain regions—notably perhaps the U.S.A. Indeed I am rather surprised that Mr. Glenday should appear to think that this fact had escaped my notice. I believe I was one of the first English economists to write upon the economic consequences of the approach of a stationary population.*

In the same way, I agree with Mr. Glenday that the tendency of agricultural improvement has produced changes in relative prices highly embarrassing to agricultural producers, and that the policies which have been adopted as a reaction to these embarrassments have had a disintegrating effect on the world economy. I think this is much more important as an explanation of recent history than the changes in population tendencies. Again I am a little surprised that Mr. Glenday should think that I was unaware of this matter. It was my impression that in various writings I had so stressed the consequences of what I called the extension of the industrial revolution to agriculture as to be in serious danger of becoming a bore.

Beyond this point, however, agreement abruptly ceases. For fortified by his belief that, in the last analysis, the troubles which at present affect us are due to the world economy having become "too large," Mr. Glenday seems to go on to suggest

* "Notes on the Probable Economic Consequences of the Advent of a Stationary Population in Great Britain" (*Economica*, 1929). I hasten to say that I do not now think that this is a very adequate treatment of the problems involved; nor do I claim any originality for the views set forth. In so far as they have any weight, I learned them from Edwin Cannan.

that the restrictionist and isolationist policies, which he has diagnosed, are to be regarded as in some sense "natural" and that the changes in social and economic organisation which accompany these policies are to be hailed as healthy signs of the beginnings of new systems with greater survival value. "A fresh lease of life may first require a disintegration of the present system into its elements and the building up from those elements of an entirely new system," he says.

This seems to me to be Panglossian optimism of the most indefensible variety. There is no reason at all to suppose that the various policies of economic nationalism which have been the blind reaction to the stresses and strains which he indicates are productive of anything save cumulative instability and impoverishment. Mr. Glenday himself recognises that, if population declines and if agricultural effort yields a higher return, a situation is created which demands the speediest possible adaptation of the organisation of production to the new conditions of demand. If such a situation arises, he argues, "the economic system can only survive as a *single* economic pattern if the energies previously devoted to expanding the output of necessities can be devoted in time to the work of raising the standard of living of those already born." How then can he possibly regard the policies of economic nationalism and restrictionism which have impeded this adaptation as anything but self-frustrating and irrational?

As for the new forms of society and social relationships which accompany these changes, final judgment is of course a matter of ultimate values—or of taste as, perhaps, Mr. Glenday would have it. But if it can be shown, as I have tried to show in this journal* and elsewhere, that the policies of economic nationalism lead, not merely to needless impoverishment and instability, but also to international war, then it is perhaps doubtful whether it is compatible with what has hitherto been regarded as the best tradition of European ethics to regard them with very much favour. Mr. Glenday may regard the forthcoming struggles between the "elements" of a disintegrated world economy as one more sublime example of the workings of biological law; but it is not everyone who will be found to share these somewhat austere enthusiasms.

* "The Consequences of Economic Nationalism" (*LLOYD'S BANK REVIEW*, May, 1936). Perhaps I may be permitted also to refer to my "Economic Planning and International Order," where the matter is treated at length.

V

Perhaps Mr. Glenday would reply that this is to read too much into his scattered *obiter dicta* and that his sole purpose is to show the relentless working of biological retribution, once societies have become "too large." Given the present changes in the world conditions of supply and demand, he argues, it is only "natural" that the inhabitants of the different national areas, confronted by the necessity of painful readjustments, should seek to curtail their contacts with the outside world and create systems which are more manageable locally. Perhaps it was only this which he would have us read into those gnomic strictures upon those who would attempt to reverse the process and revive the activities of the world economy.

It is worth while examining this contention a little further; if I am not mistaken, it suggests a most illuminating reflection upon Mr. Glenday's fundamental theorem. For, if it is the case that it is the reactions of the national organisms to changes in the world economy, which are the cause of the general disintegration, then surely the logical deduction is, *not that the world economy is too large, but that the national units are too small and possess powers inappropriate to healthy development*. There is no evidence that the world economy is too large, in the sense that the return to human effort is diminishing. The world economy could adapt itself to the necessity of change very well if the national policies did not impede the process of readjustment by limitations on trade and migration. It is not population growth and its vicissitudes, but the present political organisation of the world which is at the bottom of our difficulties.

We can see this more clearly if we make an effort of imagination enabling us to shed our innate tendency to assume that there is something natural and inevitable about the present national organisations. Let us assume that, by a quite conceivable accident of history, the forty-eight States of the North American Federation had become independent sovereign States with powers of limiting trade and migration. Let us suppose further that these independent political organisations were confronted with the economic strains and stresses of the last few years. Is it not reasonable to believe that they would have each imposed in greater or less degree, the whole apparatus of restrictionism characteristic of national policies everywhere

to-day? Is it not reasonable further to believe, that the effect of such policies would be to impose limitations on economic activity still greater than those from which we suffer to-day?

In such a situation, what would be the appropriate sociological judgment? Mr. Glenday presumably would argue that the extent to which the world economy was "too large" was even greater than under present conditions. He would write severe condemnations of all those who, deplored the tendency of such policies, failed to see that these happenings were an inevitable vindication of unshakable biological law. He would make great play of the ignorance of palaeontology of all those who took such an attitude. He would pose as the detached spectator of human evolution content to point out that what had happened had happened. But it would surely be at least as legitimate to conclude that the unit of political organisation was inappropriate; and that it would have been better if the forty-eight States could be formed into a federation or at least that they had adopted less restrictive policies.

This, too, is my conclusion with regard to our present difficulties. If I might for a moment take a view as long as that which I am exhorted to take by Mr. Glenday, I would say that the root trouble of the world to-day is a system of political organisation which is totally inappropriate both to the present potentialities of the world economy, and to the technique of destructive warfare. At the end of the Middle Ages the movements which gave rise to the emergence of sovereign States were liberating movements. The sovereign States destroyed the tangle of local restrictions which were limiting economic and cultural development. But in the twentieth century the persistence of these forms of organisation is definitely inimical to progress. It hampers trade. It cripples the development of the world economy. It gives rise to situations in which a chronic state of war or preparation for war is almost inevitable. If we cannot transcend the limitations of independent national organisation, particularly in war-ridden Europe, then much of the fruits of human ingenuity and effort must be wasted. We must revert to lower forms of society, lower forms of economic organisation.

Taking the long view, then, it seems to me almost certain that in the next hundred years or so the existing units of

political organisation will have to give way to something more in harmony with modern conditions. Whether this is to take place by peaceful federations or by the emergence of triumphant imperialism is the great unsolved problem of our generation. But that some change of this sort must come seems to me to be nearly certain.

In the meantime, however, I hold—and this is my final answer to Mr. Glenday—that the less existing national States impose policies tending to local rigidity and restrictionism, the less damage will they do to themselves and to each other. We may not be able at will to pass into the future world of larger political units. But it is possible, by abstaining from self-frustrating policies, to produce a state of affairs in which, pending such changes, our present obsolete political organisation inflicts a minimum of disorganisation in the world economy.

At any rate it was in the belief that this is so that it seemed to me worth while examining alternative types of policies in regard to exports; and, in spite of Mr. Glenday's strictures, I am still of that opinion. It is not true, as Mr. Glenday asserts, that English economists are incapable of distinguishing between propositions involving "is" and propositions involving "ought." But it is not true either that they are under any obligation to refrain from applying their scientific knowledge to discovering whether particular policies lead to results which ethics or common opinion would regard as desirable. It would be a bad thing for public opinion in this country if, by the facile generalisations of long-exploded biological analogies, we were ever led to the conclusion that whatever is, is right.

LIONEL ROBBINS.

The London School of Economics.

August 27th, 1939.

Home Statistics

BANK OF ENGLAND

Issue Department

	Note Circulation	Govt. Debt	Other Govt. Securities	Other Securities	Silver Coin	Fiduciary Issue	Gold
End March, 1931	£ mn. 357.1	£ mn. 11.0	£ mn. 232.0	£ mn. 12.9	£ mn. 4.0	£ mn. 260.0	£ mn. 144.5
" " 1932	360.5	11.0	240.9	19.3	3.8	275.0	120.8
" " 1936	406.5	11.0	246.5	1.5	1.0	260.0	200.6
" " 1937	473.8	11.0	187.0	2.0	—	200.0	313.7
" " 1938	485.4	11.0	188.2	0.8	—	200.0	326.4
" " 1939	482.0	11.0	287.9	0.3	0.8	300.0	226.2
Aug. 23, 1939	508.1	11.0	284.2	4.1	0.7	300.0	246.4
Aug. 30, 1939	529.5	11.0	284.8	3.5	0.7	300.0	263.0

Banking Department

	Public Deposits	Bankers' Deposits	Other Deposits	Govt. Securities	Discounts and Advances	Other Securities	Reserve	Proportion
End March, 1931	£ mn. 17.2	£ mn. 58.8	£ mn. 34.7	£ mn. 30.3	£ mn. 24.6	£ mn. 25.7	£ mn. 48.3	% 43.6
" " 1932	27.2	54.6	34.4	35.7	11.7	51.1	35.9	30.9
" " 1936	18.0	83.6	37.0	80.3	5.0	16.7	54.9	39.6
" " 1937	52.2	62.3	38.5	100.5	7.1	22.9	40.8	27.7
" " 1938	17.8	108.1	37.4	110.8	8.7	20.2	41.8	25.6
" " 1939	21.8	98.5	36.3	102.3	4.8	22.5	45.2	28.9
Aug. 23, 1939	22.4	92.1	36.2	99.7	5.7	24.3	39.2	26.0
Aug. 30, 1939	31.1	90.1	39.0	113.1	6.4	24.6	34.2	21.3

LONDON CLEARING BANKS (monthly averages)

	Deposits	Acceptances, Guarantees, etc.	Cash	Balances and Cheques	Call and Short Money	Bills	Investments	Advances
March, 1931	£ mn. 1,763.9	£ mn. 121.5	£ mn. 184.0	£ mn. 43.5	£ mn. 114.1	£ mn. 240.4	£ mn. 311.1	£ mn. 936.1
" 1932	1,676.4	98.7	174.0	43.3	112.5	216.8	281.9	902.1
" 1934	1,830.6	112.8	218.9	43.5	120.4	202.5	547.1	753.0
" 1936*	2,108.3	105.2	216.7	53.8	162.4	252.0	635.1	849.2
" 1937*	2,244.2	122.5	225.8	62.7	169.8	247.8	667.4	934.4
" 1938*	2,253.7	112.0	244.2	59.1	150.4	238.6	634.0	995.2
June, 1939*	2,218.8	124.4	235.2	64.2	149.8	248.6	600.2	987.3
July, 1939*	2,239.9	122.1	234.9	60.5	155.4	278.4	597.0	981.9

* Includes the District Bank.

LONDON BANKERS' CLEARING HOUSE RETURNS

		Town Clearing	Metropolitan Clearing	Country Clearing	Total	
Gold						
£ mn.		£ mn.	£ mn.	£ mn.	£ mn.	
144.5	1930	... ... ...	38,782	1,812	2,964	43,558
120.8	1931	... ... ...	31,816	1,668	2,752	36,236
200.6	1932	... ... ...	27,834	1,610	2,668	32,112
313.7	1933	... ... ...	27,715	1,657	2,766	32,133
326.4	1934	... ... ...	30,740	1,760	2,984	35,484
226.2	1935	... ... ...	32,444	1,887	3,229	37,560
246.4	1936	... ... ...	35,039	2,040	3,538	40,617
263.0	1937	... ... ...	36,719	2,162	3,805	42,686
	1938	... ... ...	33,862	2,075	3,673	39,610
	1938 to Aug. 24	...	21,976	1,371	2,404	25,751
	1939 to Aug. 23*	...	19,626	1,337	2,428	23,391
	1938 Aug. (3 weeks)	...	1,902	109	205	2,216
	1939 Aug. (3 weeks)	...	1,640	108	212	1,960

* Return for August 30, 1939, has not been published.

BANKERS' PROVINCIAL CLEARING RETURNS

	Mar., 1929	Mar., 1932	Mar., 1936	Mar., 1937	Mar., 1938	July, 1938	Mar., 1939	June, 1939	July, 1939	
Birmingham.	£ mn. 11.9	£ mn. 9.0	£ mn. 10.7	£ mn. 11.3	£ mn. 10.6	£ mn. 12.2	£ mn. 10.6	£ mn. 9.9	£ mn. 11.8	
Bradford	...	5.9	3.4	4.7	4.6	3.6	3.4	3.8	3.5	4.0
Bristol	...	5.3	4.9	5.5	5.5	5.9	5.6	5.8	6.3	5.5
Hull	...	4.0	3.0	3.4	4.0	4.0	3.7	3.6	3.4	3.6
Leeds	...	4.4	3.8	3.9	4.8	4.3	4.5	4.7	3.9	4.4
Leicester	...	3.6	3.1	3.1	3.3	3.3	3.5	3.3	2.8	3.3
Liverpool	...	34.2	25.6	27.5	35.8	35.8	23.9	22.9	22.9	21.2
Manchester	...	58.0	42.5	44.9	50.7	44.0	39.6	43.2	38.3	43.3
Newcastle-on-Tyne	...	6.5	5.7	5.7	6.3	6.9	6.3	7.1	6.4	6.6
Nottingham	...	2.8	1.9	2.1	2.3	2.3	2.3	2.2	2.0	2.2
Sheffield	...	4.6	3.3	4.3	6.0	4.8	4.8	4.9	4.3	4.8
	141.2	106.2	115.8	134.6	114.5	109.8	112.1	103.7	110.7	

LONDON AND NEW YORK MONEY RATES

	LONDON					NEW YORK		
	Bank Rate	Treasury Bills		3 Months' Bank Bills	Short Loans	F.R.B. Re-discount Rate	Call Money	Acceptances
		Tender Rate	Market Rate					
End March, 1931	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
1932	3	2½	2½-2½	2½-2½	2-2½	2	1½	1½
1934	2	2½	1½	2½-2½	2-3	3	2½	2½
1936	2	2	1½	1½-1½	1-1½	1½	1	1
1937	2	1½	1½	1½-1½	1-1½	1½	1	1
1938	2	1½	1½	1½-1½	1-1½	1	1	1
Aug. 2nd, 1939	2	2	1½	1½	1-1½	1	1	1
Aug. 30th, 1939	4	—	—	3½-3½	2½-3½	1	1	1

FOREIGN EXCHANGES

London on	1937	1938	1939					
	Sept. 1	Aug. 31	Aug. 9	Aug. 16	Aug. 23	Aug. 30		
New York—								
(a) Spot	4·96½	4·85½	4·68½	4·68½	4·68½	4·39½	
(b) 3 months	1½ c. pm.	½ c. pm.	2 c. pm.	2½ c. pm.	2½ c. pm.	3½ c. pm.	
Montreal	4·96½	4·86½	4·68½	4·68½	4·68½	4·45	
Paris—								
(a) Spot	132½	178½	176½	176½	176½	175½	
(b) 3 months	Fr. 2½ dis.	Fr. 3½ dis.	Fr. 3½ dis.	Fr. 3½ dis.	Fr. 3½ dis.	Fr. 3½ dis.	
Berlin—								
(a) Official	12·36½	12·12½	11·66½	11·66½	11·68½	11	
(b) Registered Marks	43½% dis.	58½% dis.	65½% dis.	65½% dis.	66% dis.	67½% dis.	
Amsterdam	9·00½	8·92½	8·78	8·72	8·72	8·22½	
Brussels	29·49½	28·78½	27·55½	27·55½	27·65½	25·72½	
Milan	94½	92½	89	89	89	84½	
Zurich	21·62½	21·29½	20·73½	20·72½	20·72½	19·40	
Stockholm	19·39½	19·39½	19·39½	19·40½	19·39½	18·50	
Madrid	85*	150*	42½*	42½*	42½*	42½*	
Buenos Aires—								
(a) Export	15	15	15	15	15	15	
(b) Import†	16	16	17	17	17 & 20\$	17 & 20\$	
(c) Free	16·48	19·01	20·25	20·24	20·15	19·05	
Rio de Janeiro—								
Official Buying	56·470	83·950	77·240	77·240	77·230	72·060	
Official Selling	—	85·950†	—	—	—	—	
Free Selling	75·900	—	93·400†	93·400†	93·400†	87·130†	
Valparaiso	124·3*	122*	117*	117*	117*	n.q.	
Bombay	18½d.	17½d.	17½d.	17½d.	17½d.	17½d.	
Hong Kong	15d.	15d.	14½d.	14½d.	14½d.	15d.	
Kobe	1/2	1/2	1/2	1/2	1/2	1/2	
Shanghai	14½d.	8½d.	3½d.	3½d.	3½d.	4d.	
Gold Price	140s. 0½d.	143s. 3½d.	148s. 6d.	148s. 7d.	148s. 6d.	158s. 6d.	
Silver Price	19½d.	19½d.	16½d.	17½d.	18½d.	19½d.	

* Nominal.

† Excluding tax on remittances.

n.q.=no quotation.

§ Official rate of 20 pesos to £ applies to imports formerly liquidated at free rate; free market now restricted to capital remittances, etc.

PUBLIC REVENUE AND EXPENDITURE

		1935-6	1936-7	1937-8	1938-9	1938-9 to Aug. 27	1939-40 to Aug. 26
Acceptances							
Per cent.							
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PRODUCTION

		Coal	Pig-Iron	Steel
		Tons mill. 287·4	Tons thous. 10,260	Tons thous. 7,664
Total 1913	...	287·4	10,260	7,664
" 1925	...	243·2	6,262	7,385
" 1929	...	257·9	7,589	9,636
" 1930	...	243·9	6,192	7,326
" 1931	...	219·5	3,773	5,203
" 1932	...	208·7	3,574	5,261
" 1933	...	207·1	4,136	7,024
" 1934	...	221·0	5,969	8,850
" 1935	...	222·9	6,426	9,842
" 1936	...	228·5	7,686	11,705
" 1937	...	241·2	8,497	12,964
" 1938	...	228·1	6,763	10,394
Total to July, 1938	...	133·7	4,513	6,609
Total to July, 1939	...	136·3	4,380	7,559

BOARD OF TRADE PRODUCTION INDEX NUMBER *
(1930 = 100)

	Complete Year		1938				1939	
	1937	1938	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	
Mines and Quarries ...	...	99·8	93·9	89·3	86·0	96·4	100·5	94·0
Iron and Steel	...	166·6	131·5	131·6	106·4	119·8	149·1	176·5
Non-Ferrous Metals ...	...	165·3	146·2	147·4	142·8	141·4	139·7	157·0
Engineering and Shipbuilding	136·3	128·9	128·8	124·6	129·5	133·2	136·7	
Building Materials and Building	153·2	145·4	152·5	148·0	134·8	126·7	137·6	
Textiles	...	129·6	111·1	106·4	106·5	114·0	120·7	126·3
Chemicals, Oils, etc. ...	...	124·5	116·3	112·9	110·9	119·5	121·7	131·2
Leather and Boots and Shoes	111·9	104·8	102·2	97·9	107·4	119·2	114·4	
Food, Drink and Tobacco ...	119·9	121·4	123·5	122·7	123·4	119·5	129·3	
Total†	...	132·8	124·1	121·7	117·0	126·0	131·0	133·4

* Revised quarterly by the Board of Trade.

† Includes paper and printing, gas and electricity, rubber, cement and tiles.

UNEMPLOYMENT

(a) Percentage of Insured Workers

Date	1929	1931	1932	1934	1935	1936	1937	1938	1939
End of—									
January	12.3	21.5	22.4	18.6	17.6	16.2	12.4	13.2*	14.3*
February	12.1	21.7	22.6	18.1	17.5	15.3	12.0	13.1*	13.4*
March	10.0	21.5	20.8	17.2	16.4	14.2	11.6	12.7*	12.3*
April	9.8	20.9	21.4	16.6	15.6	13.6	10.5	12.7*	11.6*
May	9.7	20.8	22.1	16.2	15.5	12.8	10.7	12.8*	10.6*
June	9.6	21.2	22.2	16.4	15.4	12.8	10.0	13.2*	9.7*
July	9.7	22.0	22.8	16.7	15.3	12.4	10.1	12.9*	9.1*
August	9.9	22.0	23.0	15.5	14.9	12.0	9.9	12.6*	
September	10.0	22.6	22.8	16.1	15.0	12.1	9.7	12.8*	
October	10.3	21.9	21.9	16.3	14.5	12.0	10.1*	12.7*	
November	10.9	21.4	22.2	16.3	14.5	12.0	10.9*	13.0*	
December	11.0	20.9	21.7	16.0	14.1	12.0	12.1*	12.9*	

* New Basis.

(b) Actual Numbers Employed and Unemployed (in thousands)

	Mar., 1932	Mar., 1936	Mar., 1937	Mar., 1938	July, 1938	Mar., 1939	June, 1939	July, 1939
Number employed ...	9,549	10,689	11,310	11,399	11,371	11,586	11,969	12,064*
Wholly unemployed	2,129	1,551	1,330	1,356	1,275	1,429	1,099	1,014
Temporarily stopped	427	240	170	338	481	231	196	190
Normally in casual employment ...	104	88	76	70	63	67	55	52
Total unemployed	2,660	1,879	1,576	1,764	1,819	1,727	1,350	1,256

* Estimated.

RAILWAY TRAFFIC RECEIPTS

	Four weeks ended				Aggregate for 34 weeks			
	August 28, 1938		August, 27, 1939		1938		1939	
	Pas-sengers	Goods	Pas-sengers	Goods	Pas-sengers	Goods	Pas-sengers	Goods
	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.	£ mn.
Great Western ...	1.22	0.97	1.45	1.17	7.66	9.88	7.67	10.62
London & North Eastern* ...	1.86	1.87	2.05	2.22	11.73	18.72	11.69	19.46
London Midland & Scottish ...	2.74	2.34	3.18	2.80	18.20	23.75	17.99	24.95
Southern	1.76	0.32	1.97	0.37	11.41	3.07	11.49	3.18
Total	7.58	5.50	8.65	6.56	49.00	55.43	48.84	58.21

* The London & North Eastern Railway Returns are made up a day earlier each week than the other lines.

RETAIL TRADE*(from the Board of Trade Journal)*

Change in value since same date in previous year

	July, 1936	July, 1937	July, 1938	June, 1939	July, 1939
By CATEGORIES : Great Britain					
Total	+ 5.8	+ 8.1	+ 3.6	- 3.3	+ 1.2
Food and Perishables	+ 9.4	+10.2	+ 4.5	- 2.4	+ 3.8
Other Merchandise ... of which Piece-goods*	+ 2.4	+ 6.1	+ 2.8	- 4.3	- 1.4
(i) Household Goods ...	- 5.6	+ 2.5	- 2.3	- 2.2	- 4.4
(ii) Dress Materials ...	+ 2.9	+ 4.0	- 1.2	+ 4.0	+ 0.1
Women's Wear*	-12.1	+ 1.5	- 3.1	- 5.5	- 8.4
(i) Fashion Departments ...	+ 1.2	+ 6.2	+ 7.5	- 4.3	- 1.8
(ii) Girls' and Children's Wear	+ 1.1	+ 9.0	+10.5	- 2.7	- 2.7
(iii) Fancy Drapery ...	+ 6.5	+ 8.1	+ 5.9	- 9.9	+ 3.3
Men's and Boys' Wear ...	+ 1.3	+ 3.7	+ 4.0	- 3.5	- 2.5
Boots and Shoes	- 7.9	+ 8.4	+ 2.1	- 4.0	- 3.5
Furnishing Departments ...	+ 4.3	+ 9.3	+ 6.1	- 6.6	- 3.2
Hardware	+11.1	+ 3.8	- 3.3	- 5.1	- 1.0
Fancy Goods	+ 6.1	+ 1.6	- 5.2	+ 3.0	- 1.4
Sports and Travel	+ 4.9	+ 7.4	Nil	- 1.3	+ 0.4
Miscellaneous and Unallocated...	- 0.8	+ 0.7	- 5.3	- 5.8	- 6.4
	+13.3	+ 5.8	+ 4.5	- 8.0	+ 4.6
By AREAS—					
All Categories—					
Scotland	+ 5.7	+ 7.4	+ 7.0	+ 1.1	+ 3.1
North-East	—	+10.5	+ 4.2	- 4.6	+ 2.2
North-West	—	+ 8.0	+ 2.9	- 3.5	+ 1.9
Midlands & South Wales ...	—	+11.9	+ 4.3	- 2.5	+ 3.7
South of England	+ 6.9	+ 9.7	+ 4.4	- 1.6	+ 2.6
London, Central & West End	+ 1.8	+ 0.8	- 2.7	- 7.4	- 7.7
London, Suburban	+ 7.6	+ 8.3	+ 5.4	- 4.8	+ 1.2

* Including some goods which cannot be allocated to sub-headings.

OVERSEAS TRADE

Date	Imports				Exports				
	Food	Raw Materials	Manufactured Goods	Total	Food	Raw Materials	Manufactured Goods	Total	
Monthly Average—									
1929	44.6	28.3	27.9	101.7	4.6	6.6	47.8	60.8
1930	39.6	20.9	25.6	87.0	5.3	5.3	36.7	47.6
1931	34.7	14.4	21.8	71.8	3.0	3.9	24.3	32.6
1932	31.1	13.7	13.1	58.5	2.7	3.6	23.0	30.4
1933	28.3	15.0	12.6	56.3	2.4	3.8	23.4	30.6
1934	28.9	17.5	14.3	61.0	2.5	4.0	25.4	33.0
1935	29.6	17.7	15.4	63.0	2.6	4.4	27.4	35.5
1936	31.9	20.7	17.7	70.7	3.0	4.3	28.4	36.7
1937	36.0	26.3	22.9	85.7	3.2	5.4	33.7	43.5
1938	35.9	20.6	19.5	76.7	3.0	4.7	30.4	39.2
July, 1938	36.3	19.2	17.7	73.9	2.9	4.7	29.0	37.5
July, 1939	32.9	21.3	23.4	78.3	3.0	5.3	31.0	40.4

SOME LEAPING IMPORTS

Date	Wheat	Iron Ore and Scrap	Raw Cotton	Raw Wool	Hides, Wet and Dry	Wood Pulp	Rubber	Iron and Steel Manufactures
Monthly Average—	(thous. cwt.)	(thous. tons)	(thous. cents of 100 lbs.)	(thous. cents of 100 lbs.)	(thous. cwt.)	(thous. tons)	(thous. cents of 100 lbs.)	(thous. tons)
1929	9,314	480	1,283	678	98	137	330
1930	8,731	363	1,011	652	108	128	243
1931	9,952	185	989	707	106	122	237
1932	8,803	159	1,048	765	105	153	176
1933	9,366	234	1,169	793	120	162	189
1934	8,552	392	1,052	657	116	187	395
1935	8,435	415	1,060	720	141	185	325
1936	8,401	587	1,289	762	157	198	116
1937	8,074	669	1,382	653	157	149	254
1938	8,471	497	1,006	735	124	135	314
July, 1938	9,246	387	1,002	579	126	111	304
July, 1939	8,819	664	808	797	200	132	141

SOME LEADING EXPORTS

Date	Coal	Iron and Steel	Machin- ery	Cotton Yarns	Cotton Piece- Goods	Woolen Tissues	Worsted Tissues	Motor Cars
Monthly Average—	(thous. tons)	(thous. tons)	(thous. tons)	(mill. lbs.)	(mill. sq. yds.)	(thous. sq. yds.)	(thous. sq. yds.)	(number)
1929	5,022	365	47	11.8	306	9,016	3,490
1930	4,573	263	40	11.1	201	6,587	2,893
1931	3,563	165	27	11.4	143	4,694	2,479
1932	3,242	157	25	13.9	183	4,461	2,358
1933	3,256	160	23	15.8	169	5,110	2,741
1934	3,305	188	28	10.9	166	5,745	2,772
1935	3,226	193	32	11.8	162	5,934	3,205
1936	2,878	184	32	12.6	160	6,523	3,304
1937	3,363	215	37	13.3	160	6,653	3,583
1938	2,988	160	38	10.2	115	4,910	2,631
July, 1938	3,056	135	38	9.3	113	5,099	3,035
July, 1939	3,736	177	34	9.7	129	5,749	3,539

PRICES

1. WHOLESALE PRICES

Date	Index Number (Sept. 16th, 1931 = 100)				
	U.K.	U.S.A.	France	Italy	Germany
Average 1929 ...	150.9	139.4	141.3	146.0	126.1
1932 ...	103.5	89.3	92.0	93.1	88.7
1933 ...	103.5	93.7	87.7	86.6	85.7
1934 ...	106.4	111.1	83.1	84.2	90.4
1935 ...	108.1	120.3	78.4	97.2	93.5
1936 ...	116.2	121.4	90.6	112.5	95.6
1937 ...	134.6	131.5	127.0	133.3	97.3
1938 ...	121.5	117.7	144.2	143.3	97.1
End July, 1938 ...	122.3	118.3	147.8	142.7	97.3
" Aug., 1938 ...	119.9	116.6	145.5	142.8	97.4
" July, 1939 ...	116.8	114.0	153.7	147.0	98.5
" Aug., 1939 ...	118.4				

Sources : U.K., "Financial Times"; U.S.A., Irving Fisher; France, Statistique Générale; Italy, Italian Chamber of Commerce; Germany, Statistische Reichsamst.

2. RETAIL PRICES (cost of living)

Date	Food	Rent (including Rates)	Clothing	Fuel and Light	Other Items included	All Items included
End of 1929 ...	57	52	115	75	80	66
1931 ...	31	54	90	75	75	47
1932 ...	23	55	85	70-75	70-75	42
1933 ...	24	56	85	70-75	70-75	42
1934 ...	25	56	85-90	70-75	70-75	44
1935 ...	31	58	85	75	70	47
1936 ...	36	59	90-95	75-80	70	51
1937 ...	45	59	90-110	80-85	75	59
1938 ...	38	61	105-110	80-85	75	55
End July, 1938 ...	41	60	110	75-80	75	56
" June, 1939 ...	39	62	105-110	80	80	56
" July, 1939 ...	37	62	105-110	80	80	55

The figures represent the percentage increase above July, 1914, which is equal to 100.

3. COMMODITY PRICES (average for month)

Date	Wheat No. 1 N. Manitoba	Sugar Centrifugal: U.K.	Cotton American Middling	Wool 64's tops avge.	Pig-Iron Cleveland No. 3	Tin, Standard Cash	Rubber Plantation: Sheet
	per qr. s. d.	per cwt. s. d.	per lb. d.	per lb. d.	per ton s. d.	per ton s. d.	per lb. d.
Average 1929 ...	54 0 $\frac{1}{2}$	9 0 $\frac{1}{2}$	10.29	38 $\frac{1}{2}$	70 4 $\frac{1}{2}$	203 $\frac{1}{2}$	10 $\frac{1}{2}$
1932 ...	30 6 $\frac{1}{2}$	5 9 $\frac{1}{2}$	5.29	22 $\frac{1}{2}$	58 6	136 $\frac{1}{2}$	2 $\frac{1}{2}$
1933 ...	28 2	5 4	5.53	28 $\frac{1}{2}$	62 3	194 $\frac{1}{2}$	3 $\frac{1}{2}$
1934 ...	30 11	4 8 $\frac{1}{2}$	5.66	30 $\frac{1}{2}$	66 10 $\frac{1}{2}$	230	6 $\frac{1}{2}$
1935 ...	34 3 $\frac{1}{2}$	4 8	6.69	28	67 10	225 $\frac{1}{2}$	5 $\frac{1}{2}$
1936 ...	38 0	4 8 $\frac{1}{2}$	6.67	32 $\frac{1}{2}$	73 0	204 $\frac{1}{2}$	7 $\frac{1}{2}$
1937 ...	53 11 $\frac{1}{2}$	6 4 $\frac{1}{2}$	6.37	35 $\frac{1}{2}$	91 10	243 $\frac{1}{2}$	9 $\frac{1}{2}$
1938 ...	43 2	5 5	4.92	26	109 0	189 $\frac{1}{2}$	7 $\frac{1}{2}$
Aug., 1938 ...	36 5 $\frac{1}{2}$	5 4	4.77	26	109 0	193 $\frac{1}{2}$	7 $\frac{1}{2}$
July, 1939 ...	26 9	7 7 $\frac{1}{2}$	5.46	25 $\frac{1}{2}$	99 0	229 $\frac{1}{2}$	8 $\frac{1}{2}$
Aug., 1939 ...	26 6	6 9 $\frac{1}{2}$	5.33	25 $\frac{1}{2}$	99 0	229 $\frac{1}{2}$	7 $\frac{1}{2}$

Overseas Statistics

AUSTRALIA

	1935*	1936*	1937*	1938*	May, 1938	June, 1938	May, 1939	June, 1939
Wool (million lbs.)	971.0	976.7	1015.0	938.0†	—	—	—	—
Wheat (million bushels)	144.2	150.5	188.4	155.0†	—	—	—	—
Imports (£A millions)	104.7	113.5	140.0	124.6	10.9	10.7	8.8	12.1
Exports (£A millions)	124.4	148.5	141.7	121.8	11.8	9.9	9.4	11.5
Trade Union Unemployment Returns (Commonwealth)	14.0%	10.6%	8.5%	—	8.6%	—	9.7%	—
Wholesale Prices (Sydney Price Index Base 1911 = 100)	Dec., '35 156	Dec., '36 163	Dec., '37 166	Dec., '38 164	169	171	161	†
Cost of Living (Commonwealth Statistician Food & Groceries Base 1923-27 = 100)	80.9	85.0	85.9	91.0	87.8	88.9	91.9	—
Note Circulation (£A millions) ||	47.6	47.4	48.2	49.4	49.0	49.0	47.5	47.5
Commercial Bank Deposits (£A millions) ¶	June, '35 289.0	June, '36 286.9	June, '37 308.4	June, '38 315.1	320.6	315.1	322.5	318.0
Commercial Bank Advances (£A millions) ¶	June, '35 252.0	June, '36 261.2	June, '37 259.2	June, '38 284.9	284.0	284.9	290.9	291.7

* Except where otherwise stated the figures relate to the years ending June 30th, 1936, 1937, 1938 and 1939, respectively.

† Estimated figures.

‡ Not yet available.

|| Monthly average for year quoted.

¶ Average of weekly figures.

CANADA

	1935	1936	1937	1938	May, 1938	June, 1938	May, 1939	June, 1939
Industrial Production :—								
General Index (1926 = 100) ...	103.6*	114.4*	126.8*	114.6*	112.5	109.3	123.3	124.4
Newsprint (thousands) (short tons) ...	2,765	3,225	3,674	2,625	207.7	201.7	250.0	240.5
Steel (thousands) (long tons) ...	942	1,116	1,403	1,156	114.9	109.4	121.4	107.9
Automobiles and Trucks (thousands) ...	173	162	207	166	18.1	14.7	15.7	14.5
Imports (\$ millions) ...	550.3	635.2	808.9	677.5	67.1	58.9	72.9	63.7
Exports (\$ millions) ...	838.3	1027.9	1114.5	956.7	72.8	78.3	94.9	94.5
Employment Index (1926 = 100) ...	94.4*	103.7*	114.2*	111.9*	111.5	111.9	110.3	113.1
Wholesale Prices (1926 = 100) ...	72.1*	74.6*	84.5*	78.6*	80.3	80.1	73.7	73.3
Cost of Living (1926 = 100) ...	79.3*	80.8*	83.0*	84.0*	84.1	84.0	83.1	82.9
Gold Reserve—Bank of Canada (\$ mill.)	154.6	179.7	182.0	181.0	181.3	181.9	205.9	205.6
Note Circulation :—								
Bank of Canada (\$ millions) ...	48.9	64.0	90.6	105.9	102.1	101.4	110.8	108.2
Chartered Bank Deposits (\$ millions) ...	2,476	2,668	2,840	2,892	2,880	2,939	3,080	3,126

* Monthly averages.

INDIA

	1935	1936	1937	1938	June, 1938	July, 1938	June, 1939	July, 1939
Imports (lakhs of rupees)*	11.33	10.37	13.73	12.79	12.00	11.04	14.90	13.67
Exports (lakhs of rupees)*	13.39	15.44	17.52	14.05	12.72	14.68	15.43	16.70
Gold—Net Imports (—) or Net Exports (+) (lakhs of rupees)*	+3.60	+2.66	+1.36	+1.23	+0.63	+2.98	+0.58	+2.90
Silver—Net Imports (—) or Net Exports (+) (lakhs of rupees)*	+0.25	-1.10	-0.53	-0.11	-0.16	-0.11	-0.42	-0.50
Wholesale Prices (Calcutta, 1914 = 100)	91.0	91.0	102.0	95.5	94.0	95.0	99.0	98.0
Cotton† :-								
Official Crop Estimate (thousand bales)	4,807	5,933	6,204	5,663	—	—	—	—
Exports of Raw Cotton (thousand bales)	3,446	3,396	4,267	2,732	—	—	—	—
Piece Goods :-								
Home Production (yds. mill.)	4,853	5,227	5,004	5,568	—	—	—	—
Imports (yds. mill.)	944	947	699	591	—	—	—	—
Exports (yds. mill.)	58	71	191	241	—	—	—	—

* Monthly averages for the years 1934-37 inclusive.

† These statistics cover the seasons 1934-35, 1935-36, 1936-37 and 1937-38. The supplementary cotton crop estimate for 1938-39 is 5,120,000 bales.

NOTE.—One lakh of rupees equals approximately £7,500. One crore equals 100 lakhs.

THE UNITED STATES

	1935*	1936*	1937*	1938*	May, 1938	June, 1938	May, 1939	June, 1939
Industrial Production (1923-25 = 100)	90	105	109	84	73	74	91	97
Automobile Production (1923-25 = 100)	99	112	121	62	49	46	73	81
Freight Carloadings (1923-25 = 100)	64	75	78	62	58	61	62	67
Imports (\$ millions)	170.6	201.9	257.0	163.4	148.0	146.0	203.0	179.0
Exports (\$ millions)	190.2	204.7	278.7	257.8	257.0	233.0	249.0	236.0
Employment in Manufacturing Industries (1923-25 = 100)	91.3	97.8	105.8	87.0	83.7	82.4	90.4	91.5
Wholesale Prices (1926 = 100)	80.0	80.8	86.3	78.6	78.1	78.3	76.2	75.6
Monetary Gold Stock (\$ millions)	9,059	10,578	12,162	13,250	12,891	12,946	15,878	16,028
Money in Circulation (\$ millions)	5,585	6,101	6,475	6,510	6,415	6,433	6,919	6,966
Reporting Member Banks, Demand Deposits (adjusted) (\$ millions)	12,729	14,619	15,097	15,033	14,579	14,932	16,796	17,182

* Monthly average.

BELGIUM

	1935*	1936*	1937*	1938*	June, 1938	July, 1938	June, 1939	July, 1939
Industrial Production :-								
General Index (1923-25 = 100)	99.9	108.1	120.7	97.0	92.7	91.1	110.3	—
Coal (thousand tons)	2,207	2,314	2,473	2,464	2,405	2,233	2,662	—
Steel (thousand tons)	247	259	315	184	174	179	298	—
Total Imports (value Frs. millions)	1,417	1,758	2,271	1,891	1,859	1,732	1,797	—
Total Exports (value Frs. millions)	1,317	1,643	2,116	1,791	1,629	1,607	2,060	—
Employment Index (1929 = 100)	79.9	85.3	88.5	84	85.7	86.0	—	—
Wholesale Prices (1914 = 100)	537	588	684	630	629	623	597	594
Cost of Living (1921 = 100)	188	198	212	218	216.5	214.8	211.8	212.7
Gold Reserves (Frs. millions)	17,285	18,685	17,610	17,130	14,180	14,770	15,935	16,905
Note Circulation (Frs. millions)	20,640	22,450	21,460	22,020	20,815	21,025	22,210	22,825

* Monthly averages.

FRANCE

* Monthly averages

† End of year.

HOLLAND

	1935*	1936*	1937*	1938*	June, 1938	July, 1938	June, 1939	July, 1939
Industrial Production :—								
General Index (1929 = 100) ...	90.2	91.4	102.8	104.1	—	—	108.0†	119.9†
Imports (Fl. millions) ...	78.0	84.7	129.2	117.9	118.9	119.5	138.5	132.2
Exports (Fl. millions) ...	56.3	62.2	95.7	86.6	80.8	77.7	98.5	93.2
Unemployed (thousands) ...	384.7	414.5	368.9	353.5	311.0	302.3	255.7§	—
Shipping :—								
Entered in 1,000 tons G.R.T. ...	1,645	1,771	1,945	3,592	3,509	3,497	3,697	3,960
Cleared in 1,000 tons G.R.T. ...	1,268	1,357	1,517	2,693	2,853	2,995	2,818	2,750
Wholesale Prices (1926-30 = 100) ...	61.5	63.8	76.2	71.9	71.6	71.3	69.9	70.1
Cost of Living (1911-13 = 100) at								
Amsterdam ...	136.2	132.0	137.3	138.6	140.4	138.7	136.0†	—
Gold Stock (Fl. millions) ...	643†	720†	1,366†	1,461†	1,481	1,481	1,175	1,129
Note Circulation (Fl. millions) ...	809†	792†	868†	992†	911	919	998	1,037

* Monthly average general index for industrial production: 3-monthly averages

† Monthly average, general index for industrial production: 3-monthly average.
‡ End of year. † Preliminary. ¶ Second quarter: first quarter: 138.2

[†] Including 59,500 people who, not finding employment in their own trades, have been employed on special relief work.

Averages for the first and second quarter of 1939

GERMANY

	1935*	1936*	1937*	1938*	June, 1938	July, 1938	June, 1939	July, 1939
Industrial Production :-								
General Index (1928 = 100)	...	95.3	107.8	118.8	128.0	126.9	128.7	136.9
Coal (million tons)	...	11.9	13.2	15.4	15.5	14.9	15.8	16.2
Lignite (million tons)	...	12.3	13.5	15.4	16.2	15.3	16.6	18
Steel (thousand tons)	...	1,371	1,601	1,654	1,937	1,890	1,981	2,105
Imports (Rm. millions)	...	347	351	456	504	486	772	443
Exports (Rm. millions)	...	356	397	493	468	436	470	538
Employment (thousands)	...	15,949	17,097	18,354	19,566	19,998	20,170	21,265
Wholesale Prices (1913 = 100)	...	101.8	104.1	105.9	105.7	105.6	105.6	106.8
Cost of Living (1913-14 = 100)	...	123.0	124.5	125.1	125.6	126.0	126.8	126.5
Money in Circulation (Rm. millions)†	6,389	6,694	7,499	8,726	8,482	8,722	10,953	11,229

* Monthly average.

[†] Saar excluded.

† End of year.

§ Includes Austria and Sudetenland.

SWITZERLAND

	1935	1936	1937	1938	June, 1938	July, 1938	June, 1939	July, 1939
Imports (Fr. millions)	106.9	105.5	150.6	133.9	131.0	127.7	160.3	155.9
Exports (Fr. millions)	66.25	73.5	107.2	109.8	101.3	97.2	111.9	118.6
Wholly unemployed (per cent. of total population)	2.0	2.3	1.7	1.6	1.2	1.2	0.7	0.7
Wholesale Prices (1914 = 100)	90	96	111	107	107	106	106	107
Cost of Living (1914 = 100)	128	130	137	137	137	137	137	138
Gold Reserves (Fr. millions)	1,457	1,690	2,640	2,849	2,805	2,786	2,471	2,461
Note Circulation (Fr. millions)	1,283	1,294	1,378	1,555	1,541	1,541	1,729	1,741
Commercial Bank Deposits (Fr. millions) ...	2,693	3,150	3,277	3,111	3,150	—	2,979	—
Cantonal Bank Deposits (Fr. millions) ...	6,134	6,260	6,421	6,201	6,331	6,211	6,067	—

NORWAY

	1935*	1936*	1937*	1938*	June, 1938	July, 1938	June, 1939	July, 1939
Industrial Production :—								
General Index (1935 = 100) ...	100	111	122	122	128	98	133	—
Export Industries (1935 = 100) ...	100	110	115	113	115	103	119	—
Home Industries (1935 = 100) ...	100	111	126	127	136	96	141	—
Imports (in millions of Kr.) ...	58.8	77.2	107.7	99.0	90.7	87.7	113.8	—
Exports (in millions of Kr.) ...	50.4	57.1	68.6	65.5	56.5	49.9	68.5	—
Unemployed ...	36,103	32,643	28,520	28,923	22,938	20,144	20,802	17,643
Idle Shipping (in thousands of tons dead-weight. Beginning of year and month)	313	69	26	Nil	233	271	212	254
Wholesale Prices (1913 = 100) ...	127	134	156	153	153	154	148	149
Cost of Living (1914 = 100) ...	151	155	168	171	172	173	172	173
Gold Reserves (Kr. mill., end of year) ...	185	215	180	206	199	222	236	236
Note Circulation (Kr. mill., end of year)	348	429	449	477	445	456	475	480

* Monthly averages.

SWEDEN

	1935*	1936*	1937*	1938*	June, 1938	July, 1938	June, 1939	July, 1939
Industrial Production :—(1935 = 100)†								
Steel Production (in thous. of metric tons) ...	100	108	119	117	116	115	124	—
Imports (millions of Kr.) ...	77	84	94	83	63.4	71.8	84.4	—
Exports (millions of Kr.) ...	123	136	178	172	155.3	160.3	201.8	203.7
Unemployed (thousands) ...	108	126.2	166.7	151.2	150.1	156.3	177.9	160.0
Wholesale Prices (1935 = 100)‡ ...	80.8	68.7	66.3	74.6	59.9	51.4	—	—
Cost of Living§ (1914 = 100) ...	100	—	124.5	116.4	115.4	114.7	115.4	117.0
Gold Reserves (Kr. mill., end of year) ...	156	158	162	166	165	166	168	169
Note Circulation (Kr. mill., end of year) ...	408	529	539	707	615	610	762	767
Timber Exports (thousands of cub. metres) ...	786	893	980	1,061	972	950	1,059	1,025
Wood Pulp Exports (in metric tons) ...	300	334	353	283	372	397	599	502

* Monthly average. † Association of Swedish Industries. ‡ Svenska Handelsbanken.
§ Royal Social Board, Quarterly figures published beginning of each quarter.

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9 July,
1939

3 155.9
9 118.6
7 0.7
6 107
37 138
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